Generation Task Force Needs More Information on the South Texas Nuclear Project

In making appropriate decisions for the best generation path for Austin Energy, a number of factors need to be considered. What is cost-effective today may not continue to be so in the future.

The South Texas (Nuclear) Project 1 & 2 reactors are already showing signs of their age. STP recently had a fire in the control room area. A January 2013 transformer fire was followed by the turbine being spun without lubrication for 15 minutes, resulting in expensive and lengthy repairs. Unit 2 was out of operation for 8.5 months since November 2011, costing Austin Energy, with its 16% share, $27 million in replacement power alone - a cost that AE customers had to bear.

Meanwhile, aging reactors across the country are starting to shut down - five of them in the last year. Repair costs for some aging plants are causing them to no longer be cost-effective. As reactors age, the likelihood of accidents increases, as does the cost of repairs and expense of outages. Reliability can become an issue, as well as liability for accidents. STP's recent safety-related falsification violation is cause for concern.

The Task Force Agenda Should Include a Presentation by a STPNOC Representative Regarding:

- What stage is re-licensing process in, and when is re-licensing anticipated? An analysis of the outlook for cost-effectiveness of continued operation of STP 1 and 2 beyond their original retirement dates of 2027 and 2028, their expected reliability and outage rates, and the basis for such analysis should be included.

- How much is budgeted for repairs for this coming year, and what kinds of repairs or replacements are needed? What is the outlook for repairs over the next 10 years? What is the projection for the next 14 years? What will Austin Energy's share of anticipated repairs be?

- How much will it cost to further develop on-site storage of spent nuclear fuel? Will it be necessary to develop special casks to accommodate the spent fuel, and what will that cost?

- To what extent is there internal corrosion of pipes at STP and what is the outlook for how much pipe will need to be replaced, and when?

- What is the outlook for water availability to cool the reactors and related expenses? In 2011, around the clock pumping of Colorado River was needed because the levels in the 7000-acre cooling reservoir were low. How much does such pumping cost? Will other water sources be needed?

- Comanche Peak just contracted for replacement of their control room computer system. Will the STP control room computer system need to be replaced? If so, when and at what approximate cost?

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